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Via E-mail (hmagaliff@r3mlaw.com) & ECF

Rich Michaelson Magaliff, LLP

Attn: Howard P. Magaliff, Esq.
335 Madison Avenue, 9th Floor
New York, New York 10017

Re: *In Re: Mel Service, Inc.*
Case No.: 8-21-22685-rdd

Dear Mr. Magaliff:

This firm is counsel to MRC 540 Lender LLC (“MRC”) in the above-referenced bankruptcy matter in which you are the chapter 7 trustee (the “Trustee”) of the estate of Mel Service, Inc. (the “Debtor”). We are writing in response to the Trustee’s Motion filed on January 10, 2022 (the “Motion”) to sell the Debtor’s real property commonly known as 540 Concord Avenue, Bronx, New York 10455 (the “Property”) pursuant to 11 U.S.C. § 363 [ECF No. 12].

As set forth in the Motion, 540 Concord Lender LLC (“Concord”) is creditor of the Debtor with an outstanding mortgage debt in the approximate amount of \$3,877,699.00 (*see Motion*, at ¶ 15). On April 14, 2021, Concord executed and delivered to MRC, a Secured Promissory Note (the “Note”) in the principal amount of \$2,200,000.00 in connection with a loan (the “Loan”). As further security for the Note, on April 14, 2021, Concord executed and delivered to MRC a Memorandum of Collateral Assignment of Mortgage and Security Agreement. In addition, a Collateral Assignment of Mortgage (the “Collateral Mortgage”) encumbering the Property was recorded in the Bronx County Clerk’s Office on April 28, 2021 as City Register File No. 2021000153949.

The Motion indicates that the purchase price of the Property exceeds the known liens against the Property including the mortgage held by Concord (*see Motion*, at ¶ 15). As such, MRC hereby expects its Loan to be paid in full at the closing of the sale of the Property. Upon receipt of payment, MRC will release its lien on the Property.

Please be advised that nothing contained herein shall constitute a waiver or modification of MRC's rights and remedies, at law or in equity. Should you require anything further, please do not hesitate to contact the undersigned.

Very Truly Yours,

/s/ Jerold C. Feuerstein
Jerold C. Feuerstein, Esq.

Counsel for MRC 540 Lender LLC